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SECSTATE PASS AGRICULTURE ELECTRONICALLY
USDOC FOR 4332 MAC/ITA/WH/JLAO

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TAGS: [ECON](#) [VE](#) [EAGR](#) [PGOV](#)
SUBJECT: BRV's Aggressive Land Interventions Benefit Selected
Officials to the Country's Cost

CLASSIFIED BY: DUDDY, AMBASSADOR, DOS, AMB; REASON: 1.4(B), (D)

¶1. (C) SUMMARY: Continuing their aggressive policy to "rescue idle land," Minister of Agriculture Elias Jaua and representatives of the National Land Institute (INTI) intervened in 31 farms totaling about 19,750 hectares on November 23. As before, the government underscored their determination with a show of force by having National Guard units present during the entire process. Prominent private sector spokesmen strongly oppose this action, noting that it will actually reduce domestic food output in contrast to the BRV's stated goals and the country's well-being. The claims that the land seizures are not political seem difficult to accept given the identities of some of the owners. END SUMMARY.

¶2. (C) Based on a law that allows the government to take control of "non-productive land," as the BRV chooses to define it, Minister Jaua announced November 23 that 31 farms totaling about 19,750 hectares would be occupied as part of the "policy of war against large farms" to strengthen food security. In contrast to previous land initiatives, this round was wide ranging and extensive, with farms in Tachira, Merida, Trujillo, Zulia, Barinas, and particular in Guarico, identified for nationalization. Contacts report that the BRV has complete control of the land in Guarico, and is now processing farms in other states for eventual state ownership.

¶3. (C) According to statements by ex-FEDECAMARAS president Jose Manuel Gonzalez, the 31 properties were in fact very productive and employed modern farming and ranching practices. As a result of these actions, Gonzalez and others estimate that at least 30,000 head of beef cattle and 60,000 metric tons of corn production are likely to be lost in Guarico state alone, given the government's dismal history of managing farms it takes over. Reduced livestock and grain output is also expected in other states. According to the best information we can obtain from industry sources, none of the 31 farms are owned by AmCits.

¶4. (C) As in previous episodes, government officials claim that their actions are in accordance with the law, apolitical, and designed to provide more food to the masses. However, self interest, not concern about food security, is apparently a prime factor behind these interventions. According to Pedro Pinate (protect), an agricultural commentator, the government needs to control productive land in Guarico state to support an irrigation project that is being developed by order of Minister Jaua to produce more traditional Venezuelan foods. Vice Minister of Agriculture Richard Canan added that farms in Guarico are being taken over because their owners were not willing to follow this government initiative. Guarico state has been hard hit by drought, allowing the Ministry of Agriculture to claim, falsely (and in one

case, directly contradicting a certificate of productivity issued by INTI), that the land is not productive. INTI officials are now reportedly being given parcels of the valuable agricultural land at no cost. Political support for the government will come from them and the new project laborers that will work on the farms.

15. (C) COMMENT: Jaua's claims that these actions are apolitical ring hollow. Counted among the owners of the intervened lands are the ex-president of FEDECAMERAS, a leading private sector business organization and critic of the government; Manuel Rosales, the former governor of Zulia state now in exile in Peru; the Barboza family which is connected politically with Manuel Rosales; and directors of the opposition Un Nuevo Tiempo party.
DUDDY